

Company Registration No. 03138036 (England and Wales)

DIGI INTERNATIONAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
PAGES FOR FILING WITH REGISTRAR

DIGI INTERNATIONAL LIMITED

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DIGI INTERNATIONAL LIMITED**BALANCE SHEET****AS AT 30 SEPTEMBER 2021**

		2021	2020
	Notes	£	£
Fixed assets			
Tangible assets	4	11,090	6,667
Current assets			
Debtors	5	1,659,583	1,145,568
Cash at bank and in hand		49,184	402,048
		<u>1,708,767</u>	<u>1,547,616</u>
Creditors: amounts falling due within one year	6	<u>(108,874)</u>	<u>(34,292)</u>
Net current assets		<u>1,599,893</u>	<u>1,513,324</u>
Total assets less current liabilities		<u>1,610,983</u>	<u>1,519,991</u>
Provisions for liabilities		<u>(1,021)</u>	<u>(1,021)</u>
Net assets		<u><u>1,609,962</u></u>	<u><u>1,518,970</u></u>
Capital and reserves			
Called up share capital	7	500,000	500,000
Profit and loss reserves		<u>1,109,962</u>	<u>1,018,970</u>
Total equity		<u><u>1,609,962</u></u>	<u><u>1,518,970</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 14 April 2022 and are signed on its behalf by:

C Kohls
Director

Company Registration No. 03138036

DIGI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Company information

Digi International Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3rd Floor, Chancery House, St Nicholas Way, Sutton, Surrey, SM1 1JB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

1.3 Intangible fixed assets – goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and was amortised on a systematic basis over its expected life, which was seven years.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	33.3% Straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

DIGI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

DIGI INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2021****1 Accounting policies (Continued)****1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	8	8

3 Intangible fixed assets

	Goodwill £	Research & development £	Total £
Cost			
At 1 October 2020 and 30 September 2021	10,813,853	522,390	11,336,243
Amortisation and impairment			
At 1 October 2020 and 30 September 2021	10,813,853	522,390	11,336,243
Carrying amount			
At 30 September 2021	-	-	-
At 30 September 2020	-	-	-

The goodwill relates to the investment in the acquisition of Sarian Systems Limited, which was incorporated into the results of the company from 1st October 2009. The goodwill has been fully written off in an earlier year.

DIGI INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 October 2020	29,347
Additions	8,688
Disposals	(15,203)
	<u>22,832</u>
At 30 September 2021	<u>22,832</u>
Depreciation and impairment	
At 1 October 2020	22,680
Depreciation charged in the year	4,265
Eliminated in respect of disposals	(15,203)
	<u>11,742</u>
At 30 September 2021	<u>11,742</u>
Carrying amount	
At 30 September 2021	<u>11,090</u>
At 30 September 2020	<u>6,667</u>

5 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Corporation tax recoverable	-	7,534
Amounts owed by group undertakings	1,652,907	1,132,746
Other debtors	6,676	5,288
	<u>1,659,583</u>	<u>1,145,568</u>

6 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	2,106	1,081
Corporation tax	7,099	-
Other creditors	99,669	33,211
	<u>108,874</u>	<u>34,292</u>

DIGI INTERNATIONAL LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 SEPTEMBER 2021****7 Called up share capital**

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	500,000	500,000	500,000	500,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Andrew Seton and the auditor was Clarkson Hyde LLP.

9 Parent company

The parent undertaking is ITK International Inc, a company registered in the USA. The ultimate parent undertaking is Digi International Inc, a company registered in the USA. Copies of the consolidated financial statements of the ultimate parent undertaking may be obtained from 9350 Excelsior Blvd, Suite 700, Hopkins, Minnesota 55343, USA.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.